



RESOLUTION

ESTABLISHING A CITY POLICY ON THE USE OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS TO BE REPROGRAMMED AS A RESULT OF THE SALE OF PROPERTIES THROUGH THE HONOLULU AFFORDABLE HOUSING PRESERVATION INITIATIVE.

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") provides the City and County of Honolulu ("City") with an annual entitlement grant of Community Development Block Grant ("CDBG funds") to promote the development of viable urban communities through the provision of decent housing and a suitable living environment, and through the expansion of economic activity; and

WHEREAS, the City will be required to reprogram \$35 million in CDBG funds as a result of the leasehold sale of the City's rental housing complexes through the Honolulu Affordable Housing Preservation Initiative ("HAHPI"); and

WHEREAS, for fiscal year 2014, the City has appropriated \$40.585 million in CDBG funds in the Capital Improvement Projects Budget, which includes the City's annual CDBG entitlement, CDBG funds received as a result of the HAHPI transaction, and other CDBG program income; and

WHEREAS, on January 5, 2012, the City Council ("Council") adopted Resolution 12-11, which set priorities to guide the use of CDBG funds and superseded the priorities established in Resolution 09-206, CD1; and

WHEREAS, the Council is in full support of the Housing First model as proposed in the City's "Report to the 2013 Honolulu City Council Pursuant to Resolution 13-55 CD1" dated May 2013 ("Homeless Report") and wishes to establish a high priority to support City initiated projects to implement this model using program funds allowable from the CDBG program and Home Investment Partnership Program as described in Exhibit A of the Homeless Report; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the Council hereby amends Resolution 12-11 to incorporate the following priorities to guide the use of CDBG funds for monies to be reprogrammed as a result of the HAHPI sale, to the extent allowable by HUD, for housing and community development purposes:

Priority One: CDBG-funded public services in conjunction with tenant-based rental assistance provided through the HOME Investment Partnership Program to support a scattered site Housing First program to address chronic homelessness in the City and County



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of Honolulu. A minimum of \$10 million from the funds generated from the HAHPI sale shall be expended for a multi-service center program to provide one-stop access to resources for individuals and families experiencing homelessness. The multi-service program will provide outreach services, intake and assessment services, case management and housing placement services. Fifteen percent of the CDBG monies shall be used for public services necessary to implement the City's Homeless Action Plan, such as supportive services and/or housing assistance for individuals or families experiencing homelessness within the nine Council districts, and which may further include such alternatives as the maintenance and security of public restrooms in Chinatown. It is anticipated that no housing solution proposed to implement the City's homeless action plan shall be implemented unless it receives support from Councilmembers and stakeholders in each Council district.

Priority Two: Public services, which assist low and moderate income households who do not reside in a NRSA. CDBG-funded public services help many low and moderate income households, including some of our community's most vulnerable persons such as victims of domestic violence, the homeless, youth at risk and women, children or other persons in need of quality specialty medical care and services not otherwise available in the community.

Priority Three:

- A. The acquisition, renovation, rehabilitation and conversion of Affordable Housing Projects by the City or nonprofit agencies such that projects include, but are not limited to, shelters for homeless, special needs housing facilities, supportive housing facilities, and at-risk youth housing; and
- B. The acquisition, renovation, rehabilitation, conversion and construction of Public Facilities by the City or nonprofit agencies such that projects include, but are not limited to, shelters for homeless, special needs housing facilities, supportive housing facilities, "pu'uhonua" safe zones, single room occupancy facilities, hygiene centers, at-risk youth housing, community centers, community health centers, substance abuse and mental health facilities, and adult day care and child care centers.



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- Priority Four:** A minimum of twenty percent shall be expended for programs and projects which implement Neighborhood Revitalization Strategies which have been approved by the City and HUD. NRSAs represent an opportunity for the City to invest CDBG funds in a manner consistent with an adopted community-based strategy, which includes specific objectives, activities and performance measures. Such investments may include, but not be limited to, public services principally benefiting low and moderate income households in the NRSA, acquisition, rehabilitation and/or renovation of public facilities and affordable housing, improvements to public improvements and infrastructure systems, including, but not limited to, roadway and pedestrian improvements, water, wastewater, and drainage systems, landscape improvements, and accessibility improvements, and economic development and job creation activities.
- Priority Five:** A minimum of \$8 million for construction ready public infrastructure improvement projects in predominately low and moderate income neighborhoods other than NRSAs, including, but not limited to, improvements to water, wastewater, and drainage systems, roadways, pedestrian improvements, accessibility improvements and landscape improvements, with a special emphasis on infrastructure improvements in Transit Oriented Development Districts.
- Priority Six:** Community economic development activities. The provision of employment and entrepreneurial opportunities for low and moderate income households will contribute to the development of viable urban communities by strengthening the economic fabric of a community and providing opportunities for low and moderate income persons to obtain employment, income and wealth.
- Priority Seven:** Construction of new public facilities by nonprofit agencies. The construction of new public facilities is sometimes necessary to expand services to underserved communities or constituencies. However, new construction is a time consuming and expensive activity and the expansion of public facilities could more expeditiously be accomplished through the acquisition or conversion of an existing structure.

; and



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BE IT FURTHER RESOLVED that the Administration shall submit to the Council annually a copy of the Consolidated Annual Performance and Evaluation Report (CAPER) as submitted each year by the City to HUD, including a copy of HUD's finalized Annual Community Assessment (ACA) report; and

BE IT FURTHER RESOLVED that this Resolution amends Resolution 12-11 only to the extent Resolution 12-11 applies to monies to be reprogrammed as a result of the HAHPI sale; and

BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to the Director, United States Department of Housing and Urban Development, Honolulu Field Office, Director of the Department of Budget and Fiscal Services, Director of the Department of Community Services, Director of the Department of Transportation Services, and the Managing Director.

INTRODUCED BY:

Ikaika Anderson (BR)

DATE OF INTRODUCTION:

July 31, 2013
Honolulu, Hawaii

Councilmembers

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
CERTIFICATE

RESOLUTION 13-172, FD1

Introduced: 07/31/13 By: IKAIKA ANDERSON

Committee: COUNCIL

Title: RESOLUTION ESTABLISHING A CITY POLICY ON THE USE OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS TO BE REPROGRAMMED AS A RESULT OF THE SALE OF PROPERTIES THROUGH THE HONOLULU AFFORDABLE HOUSING PRESERVATION INITIATIVE.

Links: [RES13-172](#)
[RES13-172, FD1](#)

Voting Legend: Y= Aye, Y* = Aye w/Reservations, N = No, A = Absent, ABN = Abstain

CC-140 KOBAYASHI – RE-REFERRAL OF RESOLUTION 13-172 FROM BUDGET COMMITTEE TO COUNCIL FLOOR.

COUNCIL 08/07/13 RESOLUTION AMENDED TO FD1.

ANDERSON	Y*	CHANG	Y*	FUKUNAGA	Y*	HARIMOTO	Y*	KOBAYASHI	Y*
MANAHAN	Y*	MARTIN	Y*	MENOR	Y*	PINE	Y*		

RESOLUTION 13-172, FD1 WAS ADOPTED.

ANDERSON	Y*	CHANG	Y*	FUKUNAGA	Y*	HARIMOTO	Y*	KOBAYASHI	Y*
MANAHAN	Y*	MARTIN	Y*	MENOR	Y*	PINE	Y*		

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.


BERNICE K. N. MAU, CITY CLERK


ERNEST Y. MARTIN, CHAIR AND PRESIDING OFFICER